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C O N F I D E N T I A L SECTION 01 OF 02 SUVA 000100

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TAGS: [PREL](#) [PGOV](#) [CJAN](#) [PHUM](#) [PINR](#) [MARR](#) [FJ](#)

SUBJECT: FIJI: QARASE COURT CASE; CHAUDHRY TAX ISSUE; FIJI
ENVOYS TO U.S. AND UN; HUMAN RIGHTS REPORT REACTIONS

REF: A. SUVA 089

[1](#)B. SUVA 075

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Classified By: Amb. Dinger. Sec. 1.4 (B,D).

Summary

[1](#)1. (C) Deposed Fiji Prime Minister Qarase's court case against Commodore Bainimarama's December 2006 coup seems to be rapidly drawing to a close. The Interim Government's (IG's) hand-picked judges will apparently start writing their decision shortly. An appeal is expected to follow, whatever the outcome. Interim Finance Minister Chaudhry has received a clean bill of health from an "independent" team reviewing tax-evasion allegations against him, including evidence he received large sums from India. Chaudhry's opponents are not amused, allege bad faith, and continue to call for his resignation. A source reports the Military Council has finally convinced Bainimarama to sack Chaudhry. We will see. The IG has announced the appointment of Ratu Finau Mara as Ambassador to the U.S. and Berenado Vunibobo as PermRep at the UN. Both have long diplomatic credentials. The Human Rights Report (HRR) on Fiji has drawn flak from the IG and its surrogates and praise from others. End summary.

Qarase constitutional case

[1](#)2. (C) Per ref A, deposed Prime Minister Qarase's court challenge to the constitutionality of the December 2006 coup has finally reached the trial stage. After considerable bickering among lawyers about how the trial should proceed, it appears the case will be decided mostly on legal arguments, not on first-hand testimony. The only Qarase witnesses were Qarase himself and deposed Home Affairs Minister Vosanibola. Qarase's case is simple: he was the legitimate PM; Bainimarama removed him by force, contrary to the constitution; the court should re-install the Qarase Government. The defense appears to be arguing that Qarase was leading a dysfunctional government, that he attempted to call in Australian troops, that Bainimarama and President Iloilo had to act to safeguard the nation, and that Qarase and his ministers accepted the legitimacy of the Bainimarama government by applying for pensions in January 2007. Qarase made mistakes and his legal team has seemed shaky at times; but Fiji's Constitution appears clear that a coup is unconstitutional. Whether the IG's hand-picked judges see it that way remains to be seen. No matter the initial outcome,

an appeal is expected.

Chaudhry charade

13. (C) As described ref B, the Fiji Sun and Fiji Times newspapers have reported in detail about alleged tax evasion by interim Finance Minister Chaudhry. The IG attempted to ignore the story; but pressure, including from within the Military Council, became intense to remove Chaudhry, at least pending an investigation. On March 5, Chaudhry went on leave, supposedly for reasons unrelated to the tax issue. On March 9, interim Attorney General Sayed-Khaiyum announced that an "independent" three-person team had begun a review on March 7 of how the tax office had handled Chaudhry's tax records. On March 10, to nobody's surprise, the team reported to interim PM Bainimarama that it had found no serious problems. IG critics have expressed dismay, pointing out that members of the team had links to the interim AG and noting that the terms of reference for the review were too limited.

14. (C) The underlying tax issues mostly relate to a seven-figure sum that Chaudhry held in Australian bank accounts. It appears the funds came from India sources, maybe government sources. At times in the past, including before Parliament, Chaudhry had flatly denied having any such funds in overseas accounts. Another issue is that Chaudhry failed to file timely tax returns for several years. A knowledgeable Suva lawyer tells us the review team's report is the most charitable possible evaluation. Important issues were ignored, and Chaudhry was given all benefit of doubt. Chaudhry's political opponents are very unhappy. We hear from a military source that the Military Council remains upset, too, and may have finally convinced Bainimarama to sack Chaudhry. Until now, when forced to choose, Bainimarama has tilted toward Chaudhry, but maybe not this time.

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Fiji envoys to U.S. and UN

15. (C) Fiji MFA announced late on March 12 the appointment of Ratu Finau Mara as Ambassador to the United States and Berenado Vunibobo as Permanent Representative to the United Nations. Interim Foreign Minister Nailatikau noted to the media that both men are experienced diplomats. Mara, the son of Fiji founding father Ratu Mara, was Charge at Fiji's Washington embassy about eighteen years ago. He was Minister for Fijian Affairs in the late 1990s. He most recently has been Fiji's roving ambassador to Pacific nations. Most of his siblings gave behind the scenes encouragement to the 2006 coup, though Finau, himself, seemingly was disengaged. Ratu Finau still retains some Washington contacts, including Congressman Faleomavaega. Vunibobo was Fiji PermRep in New York from 1976-80, was twice a UN ResRep in Asia, and in the 1990s was a government minister, including Minister of Foreign Affairs. He is rumored to be one of those who encouraged the 2006 coup, though he has never admitted that publicly.

16. (C) Comment: Fiji has had U.S. agreement for Ratu Finau's appointment for several weeks. We hear from within MFA that the IG timed the two announcements for yesterday hoping to divert media attention from Qarase's courtroom testimony. Things actually worked in reverse. The Qarase trial and other hot news left the diplomatic postings little news space. Reportedly, both Mara and Vunibobo are expected to depart for the U.S. by the end of March.

Fiji Human Rights Report - reactions

17. (SBU) The Fiji HRR has received intense media attention. Interim Foreign Minister Nailatikau told Fiji TV that the U.S. has its own human-rights problems, but he added that to the extent Fiji can improve its performance, it should be open to comment. IG Ombudsman and Fiji Human Rights

Commission Director Shaista Shameem was fiery, saying she wouldn't bother to read the HRR since the U.S. hadn't bothered to seek her comments in advance. She mentioned Abu Ghraib and Guantanamo and said, "Nobody wants the U.S. to be guardian of human rights in the world because it would be like having Dracula guard the blood bank." Referring obliquely to Virisila Buadromo's receipt of the International Women of Courage award earlier this week, Shameem disparaged U.S. efforts to "buy off" Fiji's NGO community with "tin badges and a handshake." Interim AG Sayed-Khaiyum said the report is "filled with inaccuracies" and the IG should have been given a pre-release chance to comment. We have responded in measured tones drawing from Department HRR guidance. Others have been less gentle. Deposed Opposition Leader Mick Beddoes and human-rights advocate Peter Waqavonovono called for Shameem to resign or be removed.

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